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Chrono

Assistant Director for Research and Reports

3 October 1956

THRU : Chief, Economic Research Area
Chief, Industrial Division, ORR

Monthly Report: September 1956

1. Accomplishments

a. Branch Projects Submitted

38.910 Light Industry in Hungary
36.520 Sov Bloc Electrical Machinery (Revision and updating)
34.893 Imports of Metalworking Machinery by Communist
China
33.1552 Quarterly Estimate of the Production of Aircraft
in the Sino-Soviet Bloc
31.1115 The Value of Land Armaments Exported by the Soviet
Bloc to the Middle East.

b. Other Projects Submitted

10.805 Communist China NIE (Contributions)
10.1536 Evaluation of the 1956-60 Five Year Plans of the
European Satellites. (Contributions)
40.1073 Communist China NIS 39A, Section 65 (Contribution)
8-111 Soviet Bloc Gas Turbine Industry (Contribution)
30.1630 Soviet Consumption in the Sixth Five Year Plan
CSM Production of Soviet Microwave Radio Relay Equipment
Indicated in USSR Planning
CSM Czechoslovakia to Produce T-54 Tanks in 1958

c. Special Research

During September, D/I branches spent two hours on special
research.

2. Training

25X1A9a a. [REDACTED] (I/AR)
completed the 10 Course, 23 September.
25X1A9a b. [REDACTED] (I/WA) completed
the Basic Russian Reading Course.
25X1A9a c. [REDACTED] (I/WA) will complete the Writing Workshop, 4
October.
25X1A9a d. [REDACTED] (I/GM) attended a
two week aircraft and guided missile planning and cost
procedures course at [REDACTED]

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SECRET

- 2 -

- 25X1A9a e. [REDACTED] (I/WM) completed a one week orientation course at [REDACTED] 25X1A5a1
25X1A9a f. [REDACTED] (I/TH) is enrolled in a course on National Income Accounting at American University. 25X1A5a1
25X1A9a g. [REDACTED] (I/TH) enrolled in courses in Monetary Theory and Policy, and Public Finance and Taxation at GWU.

3. Trips

- 25X1A9a a. [REDACTED] (I/TH) visited the International Harvester Company in Chicago, and the Ford Motor Company plants at Dearborn, Michigan.
25X1A9a b. [REDACTED] (I/WA) visited the Bethlehem Steel Plant at Sparrows Point, Maryland.
25X1A9a c. [REDACTED] (I/MM) attended the Instruments and Automation Conference and Exhibit in New York City, 20-21 September.
25X1A9a d. [REDACTED] (I/ME) attended a conference on a phase of the Atomic Energy Program at Oak Ridge, Tennessee.
25X1A9a e. [REDACTED] (I/GM) visited the Western Electric Company and the Douglas Aircraft Company in North Carolina involved in the NIKE guided missile program to collect cost, planning, and industrial data. (These were the first plant visits authorized by the Army in connection with the extensive guided missile collection effort initiated by the EIC about 20 months ago).
25X1A9a f. Messrs. [REDACTED] (I/EE) completed a visit to the Chesapeake and Potomac Telephone Company local and long distance exchanges, 20 September 1956.
25X1A9a g. Messrs. [REDACTED] (I/EE) completed a visit to the Fort Belvoir Atomic Energy Power Station, 27 September 1956.

4. Administration

- 25X1A9a a. Mr. [REDACTED] reported for duty with I/WM on 10 September.
25X1A9a b. [REDACTED] reported for duty with I/TH, 24 September.
25X1A9a c. [REDACTED] clerk-typist, reported to I/AR on 10 September.
25X1A9a d. [REDACTED] clerk-typist, reported to I/WA on 13 September.
25X1A9a e. [REDACTED] of I/WA has been in training for reassignment to Support Staff.
25X1A9a f. [REDACTED] of I/WA is being briefed for a position [REDACTED] X1A6a
25X1A9a g. [REDACTED] and is no longer officially connected with the branch.
25X1A9a h. [REDACTED] has entered I/WA as Section Chief in charge of Soviet [REDACTED] and as Deputy Branch Chief.
25X1A9a i. [REDACTED], formerly with I/TH, has transferred to another government agency, effective 21 September.
1. The Guided Missiles Staff and the Military Economics Branch of D/A were integrated into the Industrial Division, effective 24 September 1956.

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SECRET

- 3 -

5. Plans

- a. Part III, comprising the economic sections of NIE 11-5-56 was completed by I/GM and submitted to the Guided Missile Intelligence Committee (GMIC) on 18 and 20 September. The 100 page contribution was approved by the GMIC with some recommended changes. These revisions, mostly clarifications, are now being prepared by I/GM for distribution on behalf of the GMIC.
- b. In September, D/I representatives met with [REDACTED] 25X1C8c
[REDACTED], to discuss plans for the land armaments conference. 25X1X7
- c. Planning for study of economic aspects of nuclear energy are underway, looking toward preparation of requirements and contributions to the Joint Atomic Energy Intelligence Committee (JAEIC).
- d. It is planned to submit shortly a recommendation for the convening of an international conference on the Soviet Bloc motor vehicles industries, to be held in Washington in the near future.
- e. Plans are being developed to improve the adequacy and completeness of branch reports. This involves providing better understanding at the branch level of the requirements of completed reports through continuing cooperation of the responsible analyst and his branch chief, the division office, and representative of the editorial staff. Although a considerable delay may be experienced in moving projects along in the next few months, it is felt that later scheduling will be much improved by elimination of need for time consuming and costly revisions. 25X1A9a
- f. It is expected that [REDACTED] I/SE, will attend the Joint Conference on Soviet Bloc Shipbuilding to be conducted by [REDACTED] on 17-19 October, serving 25X1X7
as representatives of ORR. They will act as observers at 25X1X7
[REDACTED] conference on allied shipbuilding during the following week.
- g. Plans for improvement of relations with ATIC have been formalized, and discussions have been held with OC on this subject. It is expected that our analysts will continue to maintain contacts with ATIC, and independently with aircraft manufacturers as required. It is expected that [REDACTED], 25X1A9a
Deputy Chief, D/I, [REDACTED] I/GM, [REDACTED] I/AR, and
[REDACTED] I/EE, will visit ATIC in the second week of October.

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- 4 -

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- h. [REDACTED] consultant to D/I, is expected to visit the division on 3, 4 and 5 October. He will engage particularly in a review of activities in the area of military economics.

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- i. During September [REDACTED] represented I/GM on the Ad Hoc Subcommittee 25X1X6 Guided Missile Intelligence Subcommittee (GMIC) [REDACTED]

25X1X6

25X1A9a

made for [REDACTED]

25X1X6

6. Problems

- a. Planning for relocation of I/ME within the working space assigned to D/I has proved a major problem. An arrangement has been evolved which is believed to be workable, and plans for relocation are proceeding.
- b. Current facilities for the utilization and storage of atomic energy data under proper conditions of security are completely impracticable. It is expected that this problem will be resolved upon completion of anticipated branch relocations and, in view of the current activity and high priority of this work, early completion of D/I moves necessary to provide adequate facilities for handling AE material is important.

7. Recommendations

It is strongly recommended that the proposed relocation of I/ME be effected at an early date in October.

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